

Afghanistan: Drug Trafficking and the 2014 Transition

May 9, 2014

Congressional Research Service

<https://crsreports.congress.gov>

R43540

Summary

Afghanistan is the world's primary source of opium poppy cultivation and opium and heroin production, as well as a major global source of cannabis (marijuana) and cannabis resin (hashish). Drug trafficking, a long-standing feature of Afghanistan's post-Taliban political economy, is linked to corruption and insecurity, and provides a source of illicit finance for non-state armed groups. Based on recent production and trafficking trends, the drug problem in Afghanistan appears to be worsening—just as the U.S. government finalizes plans for its future relationship with the government of Afghanistan in 2015 and beyond and reduces its counternarcotics operational presence in the country to Kabul, the national capital. As coalition combat operations in Afghanistan draw to a close in 2014, and as the full transition of security responsibilities to Afghan forces is achieved, some Members of the 113th Congress have expressed concern regarding the future direction and policy prioritization of U.S. counternarcotics efforts in Afghanistan in light of diminishing resources and an uncertain political and security environment in 2015 and beyond.

According to the *U.S. Counternarcotics Strategy for Afghanistan*, released in late 2012, the U.S. government envisions a counternarcotics policy future that results in “two simultaneous and parallel transfers of responsibility.” Not only does it envision the transfer of security responsibility to Afghan forces, but also the transfer of counternarcotics programming responsibilities and law enforcement operational activities to the Afghan government. Assuming a reduced U.S. security presence and limited civilian mobility throughout the country, the U.S. government is also increasingly emphasizing a regional approach to combating Afghan drugs.

Although some counternarcotics efforts, including eradication and alternative development programming, are already implemented by the government of Afghanistan or by local contractors, others may require a two- to five-year time horizon, or potentially longer, before a complete transition would be feasible, according to Administration officials. Some counternarcotics initiatives are only in their infancy, including the Defense Department's plans to establish a new Regional Narcotics Analysis and Illicit Trafficking Task Force (RNAIT-TF). Other activities, particularly those that required a significant presence at the local and provincial levels, are anticipated to be reduced or limited in scope.

The 113th Congress continues to monitor drug trafficking trends in Afghanistan and evaluate U.S. policy responses. Both the U.S. Senate and House of Representatives held hearings on the topic in early 2014 and included provisions in FY2014 appropriations (P.L. 113-76) that limit the scope of and resources devoted to future counternarcotics efforts in Afghanistan. The Special Inspector General for Afghanistan Reconstruction (SIGAR) has also identified narcotics as a “critical issue” for policy makers.

This report describes key U.S. counternarcotics programs in Afghanistan in the context of the 2014 transition and analyzes policy issues related to these programs for Congress to consider as policy makers examine the drug problem in Afghanistan. The report's **Appendix** contains historical figures and tables on trends in Afghan drug cultivation, production, and trafficking.

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Introduction

Experts widely assess that Afghanistan will remain the world's primary source of opium poppy cultivation and opium and heroin production, as well as a major global source of cannabis resin, in the coming years (see **Figure 1** below). In 2012, Afghanistan cultivated more than 94% of the world's opium poppy and produced approximately 95% of the world's opium, according to U.S. estimates.¹ For its globally significant role in drug production and trafficking, the President has annually designated Afghanistan as a major illicit drug-producing or drug-transit country.² In its 2014 *International Narcotics Control Strategy Report*, the U.S. Department of State described counternarcotics efforts in Afghanistan as “an uphill struggle and a long-term challenge.”³

The potential consequences of Afghanistan's drug situation are wide ranging, with policy implications for economic and political development, as well as regional security priorities. Reports have long described a symbiotic link between narcotics trafficking in Afghanistan; corrupt government officials at the central, provincial, and district levels; ongoing insecurity; and lack of access to development opportunities.⁴ Elements of the insurgency, particularly the Taliban, are variously engaged in drug trafficking and the protection of fields, routes, and laboratories to finance operations. According to the U.S. Department of Defense (DOD), such insurgency involvement is “extensive and expanding.”⁵ Although estimates vary significantly, the U.N. Security Council's Taliban Sanctions Monitoring Team reported that the Taliban generates an estimated \$100 million to \$155 million annually in illicit income from the drug trade—a sum that may represent more than a quarter of total Taliban funds.⁶

The government of Afghanistan continues to depend on foreign donors for assistance and cooperation in responding to the drug problem. Congress has contributed to counternarcotics responses through the continued appropriation of funds and oversight of civilian, military, and law enforcement programs in Afghanistan. The Special Inspector General for Afghanistan Reconstruction (SIGAR) estimates that the U.S. government has spent at least \$7 billion in counternarcotics assistance to Afghanistan since the international community began reconstruction and stability operations in FY2002—including more than \$4 billion through the State Department and upward of \$3 billion through the Defense Department.⁷

¹ According to U.S. estimates, Afghanistan cultivated 180,000 hectares of opium poppy in 2012, out of 190,810 hectares reported worldwide; this supply resulted in an estimated 4,300 metric tons of opium in 2012, out of 4,525 tons reported worldwide. Estimated by the United Nations differ. Preliminary U.N. estimates for 2012 suggest that Afghanistan cultivated an estimated 65% of the world's opium poppy (154,000 hectares in Afghanistan; 236,320 hectares globally) and produced approximately 75% of the world's opium (3,700 tons in Afghanistan; 4,905 tons globally). See State Department, *International Narcotics Control Strategy Report (INCSR)*, Vol. 1, 2014; U.N. Office on Drugs and Crime (UNODC), *World Drug Report*, 2013.

² White House (Barack Obama), *Presidential Determination on Major Drug Transit or Major Illicit Drug Producing Countries for Fiscal Year 2014*, PD 2013-14, September 13, 2013.

³ State Department, *INCSR*, Vol. 1, 2014.

⁴ Ibid.; Defense Department (DOD), *Counternarcotics and Global Threats Strategy*, April 27, 2011; DOD, *Report on Progress Toward Security and Stability in Afghanistan (Afghanistan Progress Report)*, November 2013.

⁵ DOD, *Afghanistan Progress Report*, November 2013.

⁶ United Nations Security Council, S/2012/683, September 5, 2012. See also discussion in Civil-Military Fusion Centre, *Counter-Narcotics in Afghanistan*, August 2012.

⁷ Two key sources of U.S. counternarcotics funding to Afghanistan are the State Department's International Narcotics Control and Law Enforcement (INCLE) foreign aid account and DOD's Drug Interdiction and Counter-Drug Activities Fund account. Additional funds for alternative livelihoods programming and interdiction mentoring and support are provided through the State Department/USAID's Economic Support Fund (ESF) and through the Drug Enforcement

As coalition combat operations in Afghanistan draw to a close in 2014 and as the full transition of security responsibilities to Afghan forces is achieved, some Members of the 113th Congress have expressed concern regarding the future direction and policy prioritization of U.S. counternarcotics efforts in Afghanistan, in light of diminishing resources and an uncertain political and security environment in 2015 and beyond. In early 2014, the Senate Caucus on International Narcotics Control and the House Foreign Affairs Subcommittee on the Middle East and North Africa held hearings to discuss counternarcotics efforts in Afghanistan with witnesses from the Obama Administration.

Administration (DEA), respectively. According to SIGAR, some \$3 billion has been spent on agricultural and stabilization programs, including alternative development. Between FY2002 and FY2013, DEA has spent approximately \$201 million in direct counternarcotics support to Afghanistan. INCLE funds are also used to support justice and corrections support programming as well as anti-corruption and rule of law efforts in Afghanistan, while DOD funds are used to support military operations against drug traffickers and build the capacity of Afghan law enforcement entities, including the Afghan Border Police, with specialized training, equipment, and facilities. For FY2013, the State Department reported allocating approximately \$568.81 million in INCLE funds for Afghanistan, DOD reported spending \$307.37 million for counternarcotics activities in Afghanistan, and DEA reported spending \$17 million in direct counternarcotics support to Afghanistan. Special Inspector General for Afghanistan Reconstruction (SIGAR), *Quarterly Report to the U.S. Congress*, January 30, 2014. See also Testimony of John F. Sopko, Special Inspector General, Afghanistan Reconstruction, U.S. Senate, Caucus on International Narcotics Control, Hearing on *U.S. Counternarcotics Efforts in Afghanistan*, January 15, 2014.

Drugs in Afghanistan: Key Trends

Opium Poppy Cultivation Estimates: According to the United Nations (U.N.), Afghanistan cultivated some 209,000 hectares of opium poppy in 2013—up from 154,000 hectares in 2012 and an all-time record high. Using a different methodology, the U.S. government separately estimated that Afghanistan cultivated some 198,000 hectares in 2013 (up from 180,000 hectares in 2012). Most cultivation is concentrated in the south and southwestern provinces of Afghanistan, which is also associated with insecurity.

Opium Production Estimates: According to both U.N. and U.S. estimates, opium poppy cultivation in Afghanistan resulted in 5,500 metric tons of opium produced in 2013. Poor weather conditions and crop disease in the past have contributed to temporary reductions in yields.

Opium Value: Based on U.N. surveys, the price that the average Afghan farmer received for a kilogram of dry opium at the farm gate in 2013 was \$172 (fresh opium was worth \$143 per kilogram). The total farm gate value of 2013 dry opium was \$0.95 billion—equivalent to approximately 4% of Afghanistan's gross domestic product (GDP).

Afghan Opiate Consumption: Conservative estimates suggest that some 5% of Afghan-produced opium is consumed domestically by approximately 940,000 users, or close to 3% of the country's population aged 15-64. This includes some 20,000 drug-injecting users. An urban drug use survey conducted in 2012 by the U.S. government estimated drug use prevalence among the national adult (older than 15 years) urban population at 7.5%.

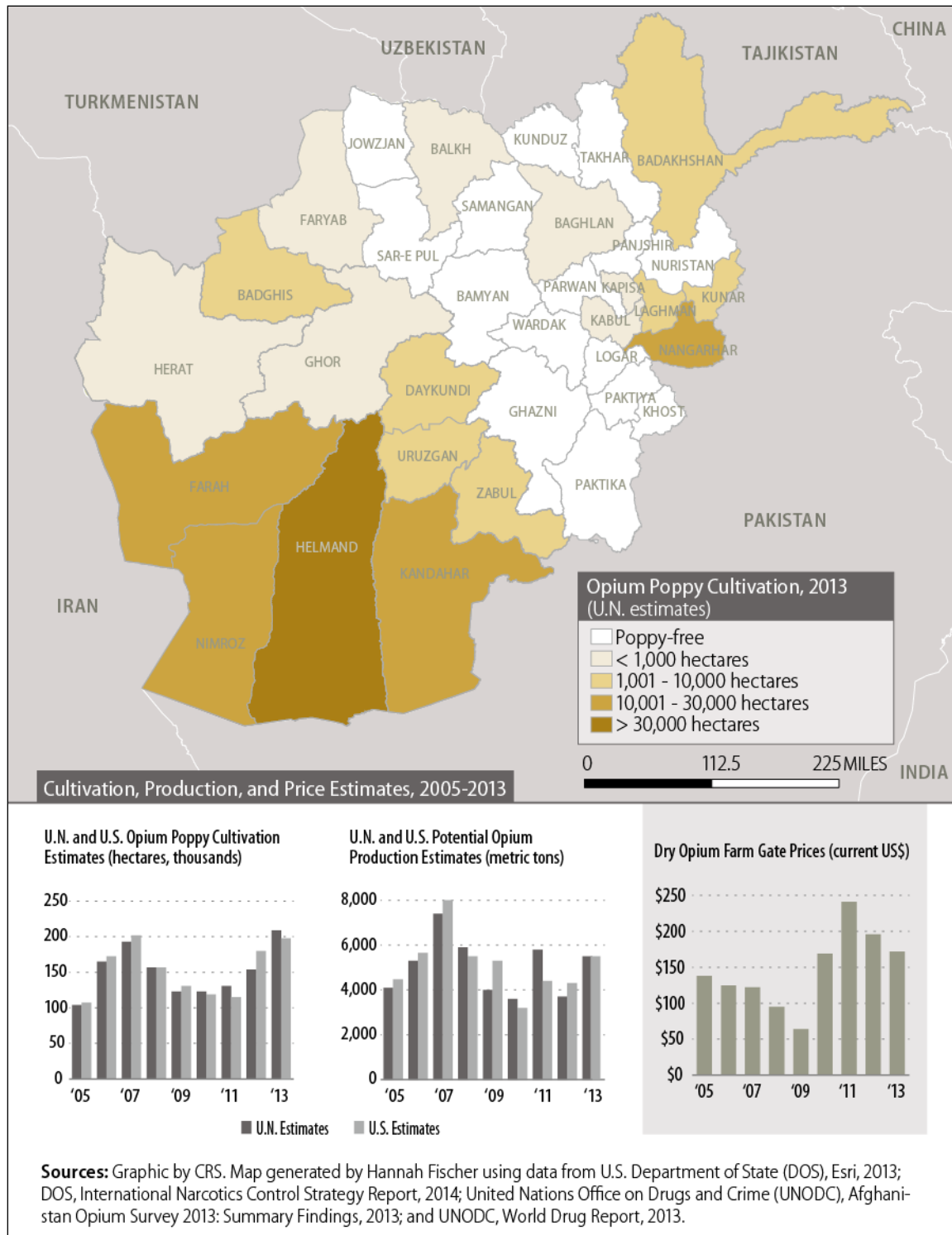
Precursor Chemical Smuggling: Although the Afghan government reports no legitimate uses for acetic anhydride, U.N. estimates that some 475 metric tons of this commercially produced chemical is illegally imported into Afghanistan each year for the manufacture of heroin in some 300 to 500 clandestine laboratories. Reports indicate that black market prices for acetic anhydride in Afghanistan are declining, an indicator of ongoing availability.

Cannabis Trends: Based on U.N. surveys, Afghanistan has emerged as a major source of high-yielding cannabis cultivation, estimated to total between 7,000 and 14,000 hectares in 2012. Such commercial-scale cannabis cultivation has the potential to produce an estimated 900 to 1,900 metric tons of cannabis resin with an annual farm gate value between \$44 and \$91 million. Afghan cannabis can be more profitable per hectare than opium poppy (\$8,100 per hectare of cannabis versus \$4,600 per hectare of opium poppy).

Methamphetamine Seizures: Beginning in 2008, authorities have reported seizures of methamphetamine in Afghanistan. It is unclear whether such reports are indicative of domestic production capabilities.

Smuggling Routes: Approximately 35% of Afghan heroin arrives in Iran, for domestic consumption and westward transit (known as the Balkan route); approximately 40% transits through Pakistan toward destinations in Europe, Africa, the Gulf States, China, and North America (Canada, primarily); 25% moves through Central Asia, most of which flows through Tajikistan and onward to Russia and Europe (known as the Northern route).

Sources: State Department, *International Narcotics Control Strategy Report (INCSR)*, Vol. I, 2013; International Narcotics Control Board (INCB), *Annual Report*, March 2013 and April 2014; U.N. Office on Drugs and Crime (UNODC), *World Drug Report*, 2013; Afghanistan Ministry of Counternarcotics, *2012 Afghanistan Drug Report*, published with UNODC technical support, November 2013; and UNODC, *Afghanistan Opium Survey, Summary Findings*, November 2013.

Figure I. Opium Poppy Cultivation, Production, and Prices in Afghanistan

Issue in Focus: Transition Expectations

One of the most immediate challenges to counternarcotics efforts in Afghanistan is the upcoming end of coalition combat operations and the full transition of security responsibilities to Afghan forces in 2014.⁸ In President Barack Obama's *Presidential Determination on Major Drug Transit or Major Illicit Drug Producing Countries for Fiscal Year 2014*, he summarized the key challenges facing Afghanistan's drug situation:

As we approach the 2014 withdrawal of international forces from Afghanistan, the country requires continued international support. Even greater efforts are needed to bring counternarcotics programs into the mainstream of social and economic development strategies to successfully curb illegal drug cultivation and production of opium as well as the high use of opiates among the Afghan population.

Some, including Special Inspector General for Afghanistan Reconstruction John F. Sopko, are concerned that the military transition, which also corresponds to a reduction in civilian and law enforcement personnel at U.S. Embassy Kabul, will result in a loss of "critical manpower at precisely the time that poppy cultivation and drug trafficking is expanding."⁹ Counternarcotics efforts to date have relied heavily on the coalition military presence in Afghanistan, raising concerns among some policy makers regarding the sustainability of U.S. counternarcotics efforts following the transition.¹⁰

The U.S. government updated its counternarcotics strategy for Afghanistan in late 2012 to address transition-oriented objectives.¹¹ It describes the transition as involving "two simultaneous and parallel transfers of responsibility," which includes not only the transfer of security responsibility to Afghan forces, but also the transfer of counternarcotics responsibilities and law enforcement operational activities to the Afghan government. The U.S. strategy identifies two key priorities: (1) strengthening Afghan government capacity to conduct counternarcotics efforts and (2) countering links between drugs and the insurgency by disrupting drug-related funding to the insurgency through and beyond the security transition.¹²

⁸ DOD, *Afghanistan Progress Report*, November 2013; International Narcotics Control Board (INCB), *2012 Report*, March 2013.

⁹ Testimony of Sopko, Special Inspector General, Afghanistan Reconstruction, U.S. Senate, Caucus on International Narcotics Control, Hearing on *U.S. Counternarcotics Efforts in Afghanistan*, January 15, 2014.

¹⁰ See U.S. House of Representatives, Foreign Affairs Subcommittee on the Middle East and North Africa, Hearing on *U.S. Counternarcotics Operations in Afghanistan*, February 5, 2014; State Department and the Broadcasting Board of Governors, Office of Inspector General, *Audit of the Department of State and Embassy Kabul Planning for the Transition to a Civilian-Led Mission in Afghanistan*, AUD-MERO-14-05, December 2013.

¹¹ U.S. Government, *U.S. Counternarcotics Strategy for Afghanistan*, 2012.

¹² See also: State Department, *INCSR*, Vol. 1, 2013, DOD, *Counternarcotics and Global Threats Strategy*, April 27, 2011; North Atlantic Treaty Organization (NATO) International Security Assistance Forces (ISAF), *Counternarcotics Campaign Plan*, described in DOD, *Afghanistan Progress Report*, November 2013; and DOD, *Post-2014 Counternarcotics Strategy for Afghanistan and the Region*, October 2013. In January 2014, the State Department's Assistant Secretary for International Narcotics and Law Enforcement Affairs (INL) Bureau described a recent review of its programs in the context of the 2014 transition. See Testimony of William R. Brownfield before the U.S. Senate, Caucus on International Narcotics Control, Hearing on *U.S. Counternarcotics Efforts in Afghanistan*, January 15, 2014.

Afghanistan's Counternarcotics Strategy

Beginning in 2003, the Afghan government has periodically issued *National Drug Control Strategies* that outline key counternarcotics priorities. Afghanistan's most recent *National Drug Control Strategy for 2012-2016* was finalized at the end of 2013 and reportedly encourages donor support through partnership-based implementation of drug control programs, and prioritizes law enforcement goals, in combination with efforts to support development of alternative livelihoods and address domestic demand reduction.

Although the *Afghan National Drug Control Strategy* has not yet been officially translated into English, the U.N. and State Department report that it aims to achieve the following by the end of 2016: (1) increase drug and precursor chemical seizure rates; (2) reduce opium poppy cultivation, compared to the 2011 baseline of 131,000 hectares; (3) increase the capacity to treat addicts; and (4) increase annual arrest volumes of low-, mid-, and high-value traffickers.¹³

Despite the U.S. strategy, detailed counternarcotics implementation plans beyond 2014 remain in flux as negotiations continue on the Afghanistan Bilateral Security Agreement. Several counternarcotics-related transition changes are, however, underway, including the following:

- **North Atlantic Treaty Organization (NATO) Mission Change.** At the end of 2014, the coalition's military mission in Afghanistan is expected to transition to a NATO-led training, advisory, and assistance mission named Resolute Support Mission (RSM). The NATO-led mission, however, will reportedly have a reduced capacity to support counternarcotics efforts at current levels.¹⁴
- **Military-Led Counternarcotics Operations.** In a November 2013 report to Congress, *Progress Toward Security and Stability in Afghanistan*, DOD acknowledged that fewer drug-related targets are being prioritized.¹⁵ As coalition forces draw down, it is widely anticipated that diminished military resources will affect the scope and frequency of U.S.-supported counternarcotics operations in 2014, particularly in Helmand and Kandahar provinces. Moreover, SIGAR reports that U.S. and coalition-provided support functions, including air transportation, security, and intelligence for counternarcotics operations, "cannot be replicated by Afghan forces."¹⁶
- **U.S. Drug Enforcement Administration (DEA) Staffing and Operations.** Following the transition, DEA has reported that it will "transition its operational profile to correspond with traditional DEA overseas operations."¹⁷ DEA intends, however, to continue to periodically deploy members of its Foreign-deployed Advisory and Support Team (FAST) to Afghanistan. DEA further anticipates that it will be limited to counternarcotics activities based out of Kabul. Already, SIGAR reported that the coalition's drawdown has reduced security, intelligence, medical evacuation, and tactical air control support for DEA's high-risk operations in country.¹⁸ The transition has also already been linked with a sharp

¹³ INCB, *2012 Report*, March 2013; State Department, *INCSR*, Vol. 1, 2013; UNODC, *World Drug Report*, 2013; Afghanistan Ministry of Counternarcotics (MCN), *2012 Afghanistan Drug Report*, published with technical support by UNODC, November 2013.

¹⁴ SIGAR, *Quarterly Report to the U.S. Congress*, October 30, 2013.

¹⁵ DOD, *Afghanistan Progress Report*, November 2013.

¹⁶ SIGAR, *Quarterly Report to the U.S. Congress*, October 30, 2013.

¹⁷ Testimony of James Capra, Chief of Operations, Drug Enforcement Administration (DEA), before the U.S. Senate, Caucus on International Narcotics Control, Hearing on *U.S. Counternarcotics Efforts in Afghanistan*, January 15, 2014.

¹⁸ SIGAR, *Quarterly Report to the U.S. Congress*, October 30, 2013.

decline in the volume of drugs and precursor chemicals interdicted; the total number of counternarcotics operations between FY2012 and FY2013 declined by 26%.¹⁹

- **U.S. Department of State Programming.** State Department-funded counternarcotics programs are in various stages of transition to full Afghan responsibility. Some are already fully implemented by the Afghan government (e.g., Governor-Led Eradication and the Good Performer's Initiative), while the transition timeline for other programs may span several more years. After 2014, the State Department does not plan to have a permanent counternarcotics presence outside Kabul.
- **U.S. Agency for International Development (USAID) Field Presence.** Although alternative development projects are implemented by contractors, some observers indicate that the transition could affect USAID's ability to conduct program monitoring and oversight. As the U.S. government's footprint in Afghanistan recedes, particularly at the provincial and district levels, so have the number of USAID field officers assigned to monitoring programs in Afghanistan.
- **Creation of the Regional Narcotics and Analysis and Illicit Trafficking Task Force (RNAIT-TF).** In its *Post-2014 Counternarcotics Strategy for Afghanistan*, submitted to Congress in late 2013, DOD proposes the establishment, by the end of FY2014, of a new interagency and international coordination mechanism for counternarcotics-related threats, including counter-threat finance. According to DOD, it is intended to be a "bridge" between current counternarcotics activities inside Afghanistan and more regionally focused efforts following the transition and drawdown of U.S. and coalition forces from Afghanistan.²⁰

In the context of a growing drug problem in Afghanistan and diminished coalition participation in counternarcotics operations, some observers have questioned whether the drug issue will be an Afghan policy priority following the transition—and whether the U.S. government will lose its ability to exert pressure for counternarcotics actions, including corruption investigations that target high-level officials.²¹ Others question whether policy makers are sufficiently prepared for the consequences that the transition may bring to counternarcotics efforts in Afghanistan, including a reduced security forces presence in key drug producing provinces and potentially declining resources for counternarcotics programming, such as alternative development.²² The transition may also reignite policy debates on the impact and consequences associated with previously controversial policy ideas, including aerial eradication of opium poppy crops, alternative development programming linked to eradication commitments, and the licensing of medical-grade opium production for legal export and sale.²³

¹⁹ Ibid.; DOD, *Afghanistan Progress Report*, November 2013.

²⁰ DOD, *Post-2014 Counternarcotics Strategy for Afghanistan and the Region*, October 2013.

²¹ David Mansfield, *All Bets Are Off!* Afghanistan Research and Evaluation Unit, January 2013; Mansfield and Paul Fishstein, *Eyes Wide Shut: Counter-Narcotics in Transition*, Afghanistan Research and Evaluation Unit, September 2013.

²² William Byrd, "Afghanistan and the International Drug Control Regime," *U.S. Institute of Peace*, April 16, 2013.

²³ INCB, *2012 Report*, March 2013.

Effect of Post-2014 Political Landscape

Afghanistan is undergoing a political transition in 2014 that could produce alterations in Afghanistan's approach to counternarcotics. Despite disputes over tactics and occasional misunderstandings, President Hamid Karzai has generally cooperated with U.S. and other coalition interests in pursuing counternarcotics in Afghanistan. On April 5, 2014, Afghanistan held its third post-Taliban presidential election. All of the eight candidates have been part of the post-Taliban political structure, and none had openly criticized the post-2001 Afghan policy of close cooperation with the United States and major donors—not only on counternarcotics but also on the broad range of security issues facing Afghanistan.

The United States was strictly neutral in the election, but U.S. officials reportedly were more well-disposed toward some candidates than others. To the likely benefit of U.S. policy toward Afghanistan and future counternarcotics cooperation, two pro-U.S. candidates were the top vote recipients in the election. Former Foreign Minister Dr. Abdullah Abdullah, identified with Afghanistan's Tajik minority, and former Finance Minister Ashraf Ghani, who is an ethnic Pashtun from eastern Afghanistan, won 44.8% and 31.5% of the vote, respectively. Following a complaint evaluation period that could affect those totals, the two faced each other in a runoff election on June 14. Preliminary results indicated Ghani had won the runoff by a vote of 56% to 44%, but allegations of widespread fraud have led to a comprehensive recount that is expected to be completed by the end of August.

Both candidates have worked closely with the United States as members of the Karzai cabinet and, in the case of Dr. Abdullah, after leaving the cabinet to become "opposition leader" following the 2009 presidential election. Neither has articulated approaches to counternarcotics that differ from those of Karzai, or from each other. However, as is traditional in Afghanistan, each is likely to favor his political and regional base, which could lead to different levels of vigilance in counternarcotics depending on location. Counternarcotics has tended to anger Afghans who depend on narcotics cultivation and trafficking for their livelihoods. If he is elected, Dr. Abdullah could potentially de-emphasize counternarcotics in the north and west, where Abdullah has many supporters in the Tajik and other minority communities. Ashraf Ghani, were he to become president, might de-emphasize counternarcotics efforts in the mostly Pashtun south and east, and in particular in the east which is the base of his Ghilzai Pashtun tribal confederation.

No matter who is ultimately chosen, the election process—the holding of a second round, followed by a complaint evaluation period—could delay the inauguration of a new president nearly into the fall of 2014. This long period of uncertainty could complicate U.S. planning for post-2014 counternarcotics efforts, just as the delay is hindering planning for the post-2014 U.S. and NATO training mission in Afghanistan ("Resolute Support" mission).

(Prepared by Kenneth Katzman, Specialist in Middle Eastern Affairs, on August 13, 2014.)

Selected Programs and Issues

The following sections describe key U.S. counternarcotics programs in Afghanistan and identify related policy issues. Key programs discussed include (1) interdiction, (2) eradication, (3) the Good Performer's Initiative, (4) alternative development, (5) demand reduction, (6) public awareness, (7) counter-threat finance, (8) prosecution, (9) institutional development, and (10) international and regional cooperation. As the transition continues through 2014, counternarcotics plans and policy may continue to evolve.

Interdiction

A core tenet of counternarcotics policy in Afghanistan has included efforts to disrupt drug trafficking through interdiction operations—a specialized law enforcement capacity that the NATO Training Mission Afghanistan (NTM-A) expects to transition to Afghan responsibility as part of the overall security transition (see **Figure 2** below). With State Department, DOD, DEA, and other resources, the U.S. government has played a significant role in the development of Afghan capabilities to conduct successful interdictions through the Counter Narcotics Police of Afghanistan (CNPA), its specialized units, and border and customs enforcement units, as well as other security entities. U.S. interdiction assistance provides funding for the operation and

maintenance of CNPA facilities and infrastructure, life support, operational mentoring and administrative capacity building, and salary supplements.

In addition to the in-depth support for CNPA specialized units, including the Sensitive Investigative Unit (SIU), Technical Investigative Unit (TIU), and National Interdiction Unit (NIU), other notable interdiction-related programs have included DEA's Foreign-deployed Advisory Support Teams (FAST), a DEA-supported Judicial Wire Intercept Program (JWIP), a joint DOD-DEA Afghan Regional Training Team (RTT), the DOD-funded Afghan Special Mission Wing, a U.S. Embassy Kabul-led Border Management Task Force (BMTF), and specialized training and operational support conducted by the U.S. Department of Homeland Security's Customs and Border Protection (DHS/CBP). Interagency entities, including the Combined Joint Interagency Task Force-Nexus (JIATF-N) and the Interagency Operations Coordination Center (IOCC) have contributed to interdiction efforts by integrating law enforcement and military information in support of counternarcotics operations.

Officials often point to the capture of narcotics kingpin Haji Bagcho in 2009, which was achieved with the support of DEA-mentored Afghan vetted units, as an example of U.S. success in developing Afghan counternarcotics capabilities.²⁴ Beyond assistance to certain specialized counternarcotics units in Afghanistan, the State Department reported in March 2014 that the scope of U.S. support, particularly to the CNPA more broadly, is challenged by limited institutional capacity, corruption, and a lack of CNPA direct authority over its resources in the provinces.²⁵ As the security transition continues, however, it is unlikely that the pace of interdiction operations programs previously funded by DOD can be sustained due to declines in staffing and regional presence. Compared to FY2011, the number of coalition-supported counternarcotics operations was down 17% in FY2013, heroin seizures were down 77%, and opium seizures were down 57%, according to SIGAR.²⁶ Moreover, DOD has reported that the effectiveness of interdiction efforts are limited—contributing to “temporary dislocations” of narcotics networks and a “small, though significant, effect on overall insurgent profits from narcotics.”²⁷ Following the transition, some observers question whether interdiction can be a successful policy tool for disrupting major traffickers, particularly if U.S. assistance is limited to specialized counternarcotics units. SIGAR has further questioned whether the Afghan government is prepared to assume full responsibility for some interdiction-related programs, such as the Afghan Special Mission Wing—a program for which DOD and DEA have strongly advocated.²⁸

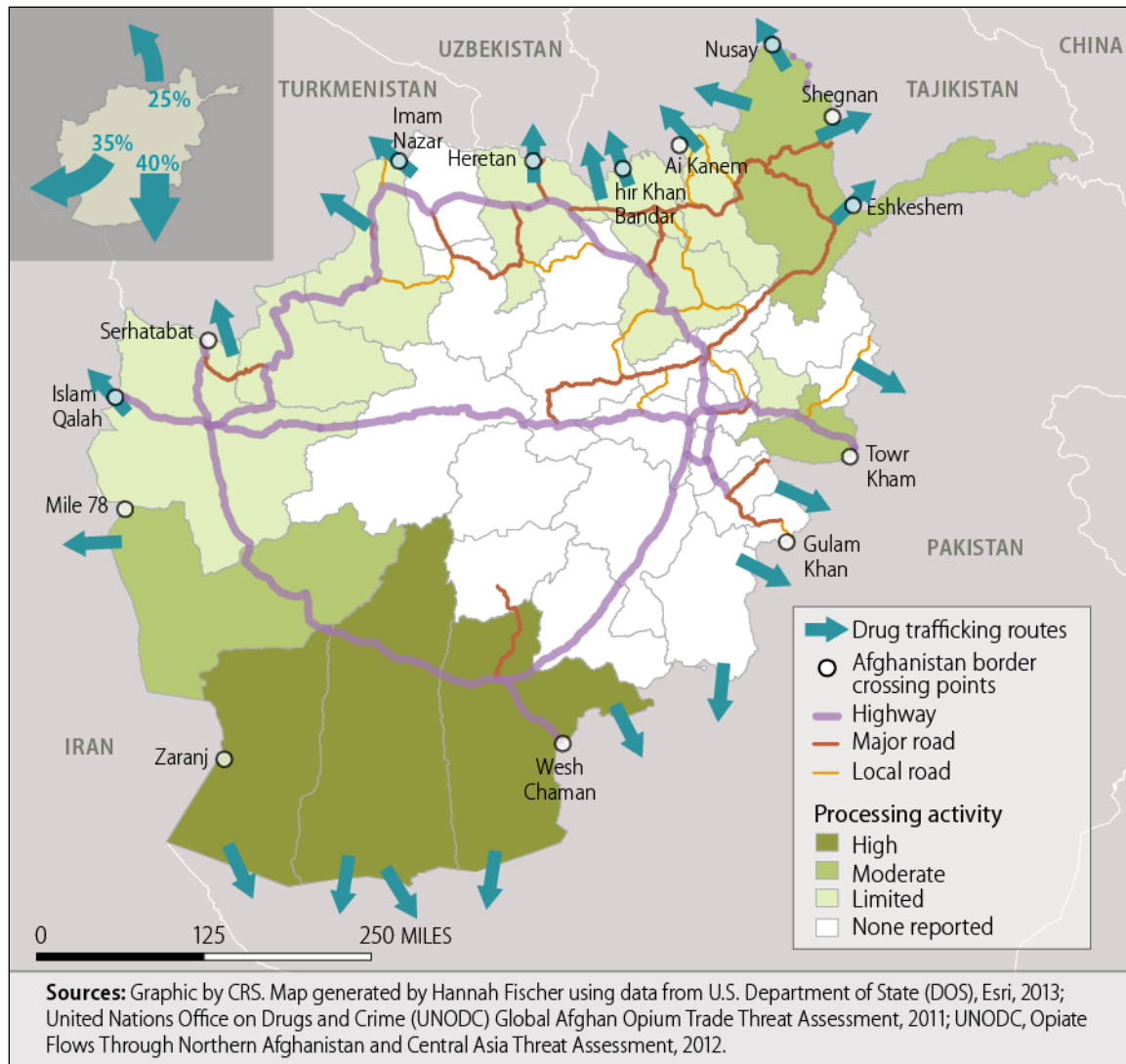
²⁴ See for example, U.S. Senate, Caucus on International Narcotics Control, Hearing on *U.S. Counternarcotics Efforts in Afghanistan*, January 15, 2014.

²⁵ DOS, *INCSR*, Vol. 1, 2014.

²⁶ SIGAR, *Quarterly Report to the U.S. Congress*, April 30, 2014.

²⁷ DOD, *Afghanistan Progress Report*, November 2013.

²⁸ The Special Mission Wing was established in July 2012 as a reconceptualization of an existing counternarcotics aviation unit led by the Afghan Ministry of Interior. The Special Mission Wing expanded the scope of the unit's responsibilities to include counterterrorism and other special operations missions and handed over operational control of the unit to the Afghan National Army Special Operations Command. SIGAR discovered that the Special Mission Wing program lacked qualified personnel as well as technical and logistical capacity to function effectively. It questioned whether support to the Special Mission Wing was an effective use of counternarcotics funding in a time of resource constraints. SIGAR, *Afghan Special Mission Wing: DOD Moving Forward with \$771.8 Million Purchase of Aircraft that the Afghans Cannot Operate and Maintain*, Audit 13-13, June 2013. See also: U.S. Senate, Caucus on International Narcotics Control, Hearing on *U.S. Counternarcotics Efforts in Afghanistan*, January 15, 2014. In response to SIGAR concerns, Congress, in the joint explanatory statement accompanying the Department of Defense Appropriations Act, 2014 (Div. C of P.L. 113-76), directed the Secretary of Defense to report back on the status and sustainability of the Special Mission Wing.

Figure 2. Heroin Processing Activity and Trafficking Routes in Afghanistan

Governor-Led Eradication

In a major policy reversal in mid-2009, the late Special Representative for Afghanistan and Pakistan Richard Holbrooke concluded that western counternarcotics policies had resulted in “failure” in Afghanistan.²⁹ Chief among his critiques of contemporary counternarcotics policy was the perception that U.S. involvement in opium poppy eradication—which included funding for a centrally directed Poppy Eradication Force (PEF)—had the perverse effect of bolstering the insurgency and undermining security and stability goals. As a result, the U.S. government ceased all direct support and involvement in eradication campaigns throughout Afghanistan.

In its place, the U.S. government focused its supply reduction efforts on an Afghan-run program administered by the Ministry of Counter Narcotics (MCN) called the Governor-Led Eradication (GLE) program. Through GLE, the MCN has reimbursed provincial governors for expenses incurred for eradicating poppy fields. Pursuant to MCN strategic guidance, GLE is the only

²⁹ Rachel Donadio, “New Course for Antidrug Efforts in Afghanistan,” *New York Times*, June 27, 2009.

permissible eradication program in Afghanistan and eradication efforts may only be conducted using manual or mechanical, ground-based methods—and only in communities with access to alternative livelihoods. Governors are also prohibited from providing farmers with any financial compensation for destroyed farmland.³⁰ State Department officials anticipate that GLE’s scope would not change significantly following the transition, since the program is already MCN-led. The U.S.-Afghan memorandum of understanding for the GLE program has been renewed in one-year increments.

Considering Afghanistan’s continued prominence in opium poppy cultivation, many observers have continued to question whether eradication through the GLE program—which in 2013 resulted in 7,348 hectares eradicated (down from 9,672 hectares in 2012) while causing 143 fatalities and 93 injuries to eradication personnel—is a sufficient deterrent threat (see **Figure 3** below).³¹ It is widely expected that eradication numbers in 2014 will decline, in part because security forces may be less available to support eradication efforts. Moreover, it is unclear whether GLE has had an effect on mitigating Holbrooke’s original concern—that eradication efforts were strengthening the insurgency. DOD further reports that the GLE program “has yet to prove its utility in decreasing insurgent funding” and may strengthen links between opium cultivation and the insurgency as increased eradication often results in a shift of cultivation to areas beyond government control.³² Corruption within the GLE program, according to DOD, “often results in only the poppy fields that do not pay bribes being eradicated.”³³ Some policy makers have questioned whether U.S. resources may be better spent on other aspects of counternarcotics policy.

Local Leadership Effects on Counternarcotics

Provincial Governors and other local leaders have pivotal roles in the effectiveness of counternarcotics programs. These leaders depend largely on cooperation from local authorities and the politics unique to each province. The success or failure of counternarcotics programs relies not only on the policies of individual governors but on their willingness to cooperate with one another and approach counternarcotics as a national issue. There are provinces where provincial governors are among a network of officials who protect growers, brokers and traffickers.³⁴ In these instances, provincial governors are among those who use proceeds from drugs to fund personal armies and maintain their independence from the central government.

Recognizing the crucial role governors play in counternarcotics, the United States has hosted several governors who are proactive in implementation of counternarcotics policies in Afghanistan. In 2008, the United States brought several governors to central Nebraska to participate in panel discussions on agricultural production with local U.S. farmers and leaders in agriculture. The participants included Bahloul Bahij, governor of Panjshir province; Enayatullah Enayat, governor of Samangan province; Dr. Assadullah Hamdam, governor of Uruzgan province; Arsala Jamal, governor of Khost province; Dr. Mohammad Akram Kupalwak, governor of Paktika province; Sultan Ali Orzgani, governor of Dai Kundi province; Abdulhaq Shafaq, governor of Faryab province; and Sayed Fazlullah Wahidi, governor of Kunar province.³⁵ In 2013, the Bureau of International Narcotics and Law Enforcement Affairs (INL) funded a visit for an Afghan delegation for meetings with senior-level U.S. government officials.³⁶ As part of the visit, INL partnered with the U.S. Institute of Peace to host a public discussion on the state of counternarcotics issues and policies in Afghanistan. The panel featured Afghan Minister of Counter-Narcotics Zarar Ahmad Muqbel Osmani, Governor Tooryalai Wesa of Kandahar Province, Governor Mohammad

³⁰ MCN, *2012 Afghanistan Drug Report*, November 2013.

³¹ UNODC, *Afghanistan Opium Survey*, Summary Findings, November 2013.

³² DOD, *Afghanistan Progress Report*, November 2013.

³³ Ibid.

³⁴ Perito, Robert. Congressional Testimony: Establishing the Rule of Law in Afghanistan. May 12, 2014.

³⁵ City of Lincoln Mayor’s Office, April 10, 2008. <http://lincoln.ne.gov/city/mayor/media/2008/041008.htm>

³⁶ Newsletter: The INL Beat, July/August 2013 <http://www.state.gov/j/inl/rls/nwsltr/2013/212544.htm>

Naem Baloch of Helmand Province, and Governor Akram Kupalwak of Farah Province. Governor Baloch noted that most farmers in Helmand Province are prepared to stop cultivating poppy if other viable options to meet their family's basic needs are available. Governor Wesa and Governor Kupalwak expressed their desire for more assistance programs like the USAID- Kandahar Food Zone.

Governor-led counternarcotics campaigns have been particularly effective in provinces with high densities of poppy cultivation, including Nangarhar, Helmand, Kandahar, and Farah. These campaigns have endorsed a variety of methods including alternative crops such as vegetables or wheat, increased dairy production, cash-for-work programs, and poppy eradication. Such methods have generated a variety of responses from Afghan farmers, most of whom are prepared to give up poppy cultivation if they have alternative methods for securing their families' basic livelihoods. These programs have sometimes been criticized for benefitting farmers close to provincial capitals but leaving farmers in rural areas with steep decreases in income.³⁷ They have also sometimes complicated local leaders' counternarcotics efforts by creating political instability through tribal conflict over land, water, and access to resources from the international community. As a result of poppy eradication in districts such as Achin, Khogyani, and Shinwar of the Nangarhar province, there have been rebellions of young men against the local *maliks* (tribal elders) who support eradication, physical attacks on eradication teams, intense Taliban mobilization, and increased flows of militants into and through these districts. Nangarhar Province Governor Gul Agha Sherzai has had success limiting poppy cultivation in part by buying off influential *maliks*, promising alternative livelihoods, and imprisonment of violators.

Leaders in Helmand Province have been active in efforts to curtail poppy cultivation. Current Governor Naeem Baloch and Provincial Police Chief Joma Gul Hemat have affirmed that anyone found to be growing poppy in the province would face legal punishment regardless of the size or purpose of their operation.³⁸ Previous Helmand Governor Mohammad Gulab Mangal successfully countered narcotics by instituting a wheat-seed distribution project during the 2008-2009 growing season and launching a major public awareness program. These programs proved popular with segments of the Helmand population.³⁹ Poppy suppression in the province was also enacted through destroying farmers' water pumps, especially in areas north of the Helmand river, considered by most as poor and insecure.

Kandahar Province Governor Torkalai Wesa has promised to eradicate poppy cultivation in Kandahar. According to his plan, 1,000 acres of land have been cleared of poppy so far, but he has also indicated that some plans from the central government remained incomplete and that the counternarcotics campaign in Kandahar faces challenges.⁴⁰ Governor Wesa discussed plans to inaugurate a comprehensive counternarcotics program in September 2013, including encouraging alternative crops, organizing public awareness campaigns, tackling drug production, and strengthening law enforcement. He has acknowledged that growing poppy is an easy choice for the farmers in Kandahar because their legally recognized products cannot get to national or international markets.

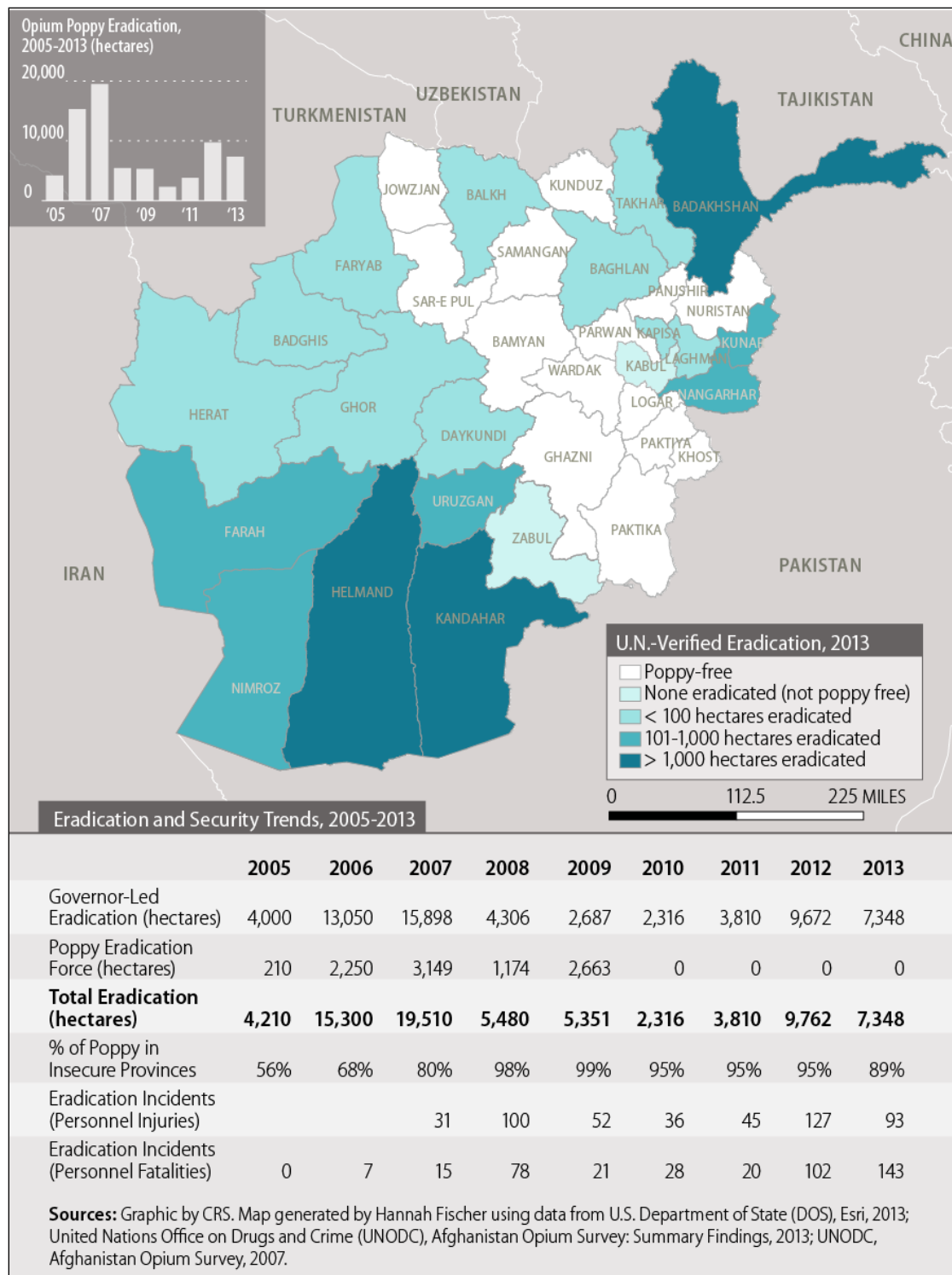
(This material was prepared by Katherine Campbell, Research Associate. August 8, 2014.)

³⁷ Felbab-Brown, Vanda. Afghanistan Trip Report VI: Counternarcotics Policy in Afghanistan: A Good Strategy Poorly Implemented. The Brookings Institution, May 10, 2012.

³⁸ Poppy Cultivation Curtailed in Helmand, *TOLO News*. October 21, 2013 <http://www.tolonews.com/en/afghanistan/12334-poppy-cultivation-curtailed-in-helmand>

³⁹ Miklaucic, Michael, and Jacqueline Brewer. Convergence: Illicit networks and national security in the age of globalization, p.197.

⁴⁰ Kandahar Governor Official Site, March 27, 2013 <http://www.kandahar.gov.com/english/arshif/fullstory.php?id=2635>

Figure 3. Eradication and Related Security Trends in Afghanistan

Good Performer's Initiative

In coordination with the GLE program, MCN has also implemented a U.S.-funded incentive program called the Good Performers Initiative (GPI). It is designed to reward provinces that successfully reduce poppy cultivation. As part of the initiative, the United Nations Office on Drugs and Crime (UNODC) verifies the amount of land eradicated and eligible provinces in turn receive funding for local development projects proposed by provincial development councils and governors' offices. In 2012, for example, 21 of 34 provinces were eligible for GPI funding (including 17 provinces that were poppy-free), which totaled \$18.2 million. Previous development projects funded through GPI, which has been in existence since 2007, have included schools, transportation infrastructure, irrigation structures, hospitals, and drug treatment centers. State Department officials anticipate that the scope of the GPI program would not change significantly as the transition continues, since the program is already MCN-led.

Although the program has been widely supported by provincial governors who qualify for the rewards, some observers have questioned whether the development projects provide a sufficient and sustainable incentive for farmers to switch to licit agricultural products and whether the projects contribute to alternative livelihood development. Local perceptions that funding for GPI projects is misallocated contribute to a sentiment that the program may not reward good governance. According to one observer: "Allocations that are not simply diverted for personal profit often amount to one isolated project here and there at best, rather than any robust rural development.... Promises of systematic rural development and robust alternative livelihoods made to poppy farmers are thus mostly unmet."⁴¹

Alternative Development

Research indicates that opium poppy cultivation in Afghanistan is most prevalent in areas characterized by insecurity and a lack of alternative livelihoods, including agricultural assistance.⁴² Alternative development programming, long a pillar of U.S. counternarcotics strategies in Afghanistan, is intended to identify and implement interventions that will influence household decision making toward licit livelihood options and away from a reliance on opium poppy cultivation as a source of income. This has included programming that increases household income and employment opportunities while decreasing household expenditures and risk (e.g., by providing licit seeds, fertilizer, farming technology, and access to credit).

Several alternative development projects funded by USAID are ending in 2014 and 2015, including the "Incentives-Driving Economic Alternatives-North, East, West in Afghanistan" (IDEA-NEW) program, the Commercial Horticulture and Agricultural Marketing Program (CHAMP), the Agricultural Development Fund (ADF), and the Agricultural Credit Enhancement (ACE) program.⁴³ Between FY2008 and FY2012, USAID's alternative development programs have reportedly targeted 314,268 hectares of poppy cultivation with alternative crops, increased sales of licit farm and non-farm products, and created more than 190,000 full-time equivalent jobs sponsored by alternative development activities.⁴⁴

Earlier efforts prioritized short term stabilization goals, including cash for work projects that have been criticized as distorting local economies rather than addressing the underlying drivers of

⁴¹ Vanda Felbab-Brown, "Afghanistan Trip Report VI: Counternarcotics Policy in Afghanistan: A Good Strategy Poorly Implemented," *Brookings Institution*, May 10, 2012.

⁴² INCB, *2012 Report*, March 2013.

⁴³ Office of National Drug Control Policy (ONDCP), *National Drug Control Strategy*, 2013.

⁴⁴ DOD, *Post-2014 Counternarcotics Strategy for Afghanistan and the Region*, October 2013.

opium farming. As new alternative development programs are developed and implemented, USAID anticipates that the programs' goals will shift from stabilization to long-term development (e.g., economic growth, job creation, and capacity building).

One new alternative development program, the Kandahar Food Zone, builds on the experiences of a former British-led initiative in neighboring Helmand province called the Helmand Food Zone.⁴⁵ The Kandahar Food Zone combines the work of USAID and the State Department's International Narcotics and Law Enforcement Affairs (INL) Bureau into four areas of counternarcotics programming: alternative development, GLE, demand reduction, and public awareness. The alternative development piece of the program is intended to be a two-year, \$20 million initiative. The latter three areas are managed by the State Department and extend several existing national programs to Kandahar. Other new USAID-funded programs include a series of Regional Agricultural Development Projects (RADP), geographically focused on the south, north, west, east, and central parts of Afghanistan.

Independently of U.S. assistance programs, Afghanistan has reportedly expanded the "food zone" model to several additional provinces, including Badakhshan, Farah, and Uruzgan. The International Narcotics Control Board (INCB) expects that such programs, combined with other alternative development measures, could "contribute to tangible progress in preventing and reducing illicit cultivation of opium poppy and cannabis plant in the country in the years to come."⁴⁶

Despite these efforts, the INCB has warned that alternative development assistance is still not widely available in Afghanistan.⁴⁷ In 2011, for example, surveys found that, of the 191,500 rural households reporting to be dependent on illicit crops for income, only 30% received agricultural assistance during the previous year. Even in areas where programming has contributed to a decline in opium cultivation, such as in the Helmand Food Zone, there are signs that progress may not necessarily be sustainable if alternative development programming were to be reduced, security were to disintegrate, or opium poppy prices were to increase in the coming years. According to surveys among households located within the Helmand Food Zone, some 30% of household income, on average, continued to be derived from ongoing opium cultivation. Additionally, observers have found that the Helmand Food Zone caused a sub-regional "balloon effect" in which poppy cultivation was pushed outside the Food Zone, often into insecure areas that remain under Taliban control.⁴⁸ USAID has acknowledged several challenges in the implementation of its flagship alternative development and agriculture programs in Afghanistan, including ongoing insecurity, low crop production, and limited food processing opportunities.⁴⁹ USAID implementers continue to be targeted by the insurgency; in March 2014, the Kabul

⁴⁵ The Helmand Food Zone, which began in 2008, explicitly linked alternative development with eradication, an upsurge in security infrastructure and presence, and increased public awareness campaigns. The project initially focused on Helmand's provincial center and several of the most fertile areas in nearby districts. Farmers were provided with agricultural inputs in exchange for a commitment not to cultivate opium poppy; fields owned by those found in breach of their zero opium commitments would in turn be eradicated through the GLE program. In the years that followed, poppy cultivation levels within the Helmand Food Zone area dropped significantly. Moreover, surveys concluded that farmers in the Food Zone benefitted from higher incomes, compared to those outside of the Food Zone; were less reliant on poppy as a source of income; and were gradually beginning to plant grapes, fruit orchards, and other high-value horticultural alternatives that require greater investment and have longer planning horizons. MCN, *2012 Afghanistan Drug Report*, November 2013.

⁴⁶ INCB, *2013 Report*, April 2014.

⁴⁷ INCB, *2012 Report*, March 2013.

⁴⁸ Mansfield, *All Bets Are Off!* Afghanistan Research and Evaluation Unit, January 2013.

⁴⁹ SIGAR, *Quarterly Report to the U.S. Congress*, April 30, 2014.

residential compound for one of USAID's alternative development contractors, Roots of Peace, was attacked.⁵⁰ SIGAR has in the past reported on USAID oversight problems in some alternative development projects related to equipment procurement and the distribution of cash-for-work payments to local Afghan workers.⁵¹

Demand Reduction

As domestic drug abuse rates have surged in Afghanistan, calls for improved responses to the problem through drug demand reduction, treatment, and rehabilitation have also grown.⁵² Beginning in 2003 from a virtually nonexistent policy platform, the Afghan government and international donors, particularly the U.S. government, have supported the development of a nationwide system of health services for specific populations (e.g., men, women, children, adolescents, and the homeless). Prevention programming includes school- and mosque-based interventions, as well as mobile exhibits, street theater initiatives, and community outreach. The number of treatment facilities in Afghanistan has more than doubled in the past five years, and treatment services now reach between 3% and 5% of estimated opiate users in the country, primarily in key population centers, such as Kabul.⁵³ Wait lists for new patients are common. As many as 99% of Afghanistan's drug users have not received treatment, according to SIGAR.⁵⁴

As part of its transition plans for demand reduction programming, which are slated to continue through at least 2017, the State Department has been working with the Afghan Ministry of Public Health to assume responsibility for staffing and paying for 76 drug treatment programs that INL had previously established and funded. Over the next several years, the State Department also aims to hand over responsibilities for the operations and maintenance of the facilities. INL supports a wide range of Afghan prevention programs and is also reportedly developing protocols to treat opium and heroin-addicted children in Afghanistan.⁵⁵ Earlier, INL had funded a National Urban Drug Use Survey to measure the prevalence rate in urban populations; it is now funding a National Rural Drug Use Survey to provide a scientifically valid national prevalence rate.

Demand reduction efforts, however, have continued to face several challenges, including a lack of basic data on national drug prevalence rates and treatment effectiveness, consistently applied evidence-based practices in all treatment facilities, licensing and certification mechanisms to identify qualified service providers, and accessible treatment options, particularly in high-risk areas. Although data remain limited, many of these problems may contribute to high relapse rates.⁵⁶ Debate has also continued regarding the appropriate use of methadone to treat injecting opioid users in Afghanistan, which can be diverted into illicit channels and abused. A two-year pilot methadone maintenance treatment project was first implemented by a France-based

⁵⁰ Roots of Peace, "Roots of Peace Compound Attacked," press release, March 28, 2014.

⁵¹ SIGAR, *Southern Regional Agricultural Development Had Poor Coordination, Waste, and Mismanagement*, Alert 13-2, June 27, 2013; SIGAR, *USAID's Alternative Development Project South/West: Audit of Costs Incurred by Tetra Tech ARD*, Financial Audit 13-09, June 16, 2013; SIGAR, *USAID's Alternative Livelihoods Program-Eastern Region: Audit of Costs Incurred by Development Alternatives, Inc.*, July 18, 2013.

⁵² For background, see UNODC, *Impacts of Drug Use on Users and Their Families in Afghanistan*, April 2014; State Department, *Afghanistan National Urban Drug Use Survey*, Research Brief, December 2012; INCB, *2013 Report*, April 2014.

⁵³ INCB, *2012 Report*, March 2013; MCN, *2012 Afghanistan Drug Report*, November 2013; State Department, *INCSR*, Vol. 1, 2013; MCN, *National Drug Demand Reduction Policy, 2012-2016*.

⁵⁴ SIGAR, *Quarterly Report to the U.S. Congress*, April 30, 2014.

⁵⁵ State Department, *INCSR*, Vol. 1, 2014.

⁵⁶ MCN, *National Drug Demand Reduction Policy, 2012-2016*; State Department, *INCSR*, Vol. 1, 2013.

nongovernmental organization in 2010 for high-risk injecting drug users in Kabul, with reportedly beneficial results; it was, however, challenged by difficulties associated with obtaining timely licenses to import methadone into the country.⁵⁷

Public Awareness

Another component of counternarcotics efforts in Afghanistan has involved the dissemination of public information programming, community engagement efforts, and media campaigns designed to inform, educate, deter, and dissuade the general population, as well as those identified as potential opium poppy farmers, from involvement in the drug trade. The State Department and other international donors contribute to counternarcotics public awareness programming in Afghanistan, as well as management support for the MCN as it develops the capacity to independently conduct national campaigns.⁵⁸ Two such U.S.-funded programs include those implemented locally by Sayara Media Communications (e.g., the Counter Narcotics Community Engagement program) and the Aga Khan Foundation grant. The State Department took initial steps in April 2013 toward transitioning public awareness campaign programs to Afghan control by initiating an independent evaluation of MCN programming capabilities; gaps identified in the assessment are intended to provide the State Department with a blueprint for preparing MCN to assume full responsibility for the programs by April 2015. Assessments of the effectiveness of public awareness campaigns, however, are limited. Preliminary surveys indicate that exposure to awareness campaigns can influence, to some extent, household decisions to cultivate opium, although some early media campaigns were found to be generally ineffective.⁵⁹ Evidence from the Helmand Food Zone also suggests that public awareness campaigns were a contributing factor to the program's successes.⁶⁰

Counter-Threat Finance

The U.S. government has been actively engaged in counter-threat finance operations in Afghanistan, which are designed to identify and disrupt the sources of insurgent and terrorist funding from the narcotics trade. The Afghanistan Threat Finance Cell (ATFC) has played a central role in such efforts. The ATFC has also facilitated the implementation of targeted financial sanctions and designations against narcotics traffickers pursuant to the Foreign Narcotics Kingpin Designation Act (P.L. 106-120). This interagency effort, based in Kabul, was established in 2008 by the U.S. national security staff and led by DEA with deputies from the Defense and Treasury Departments. The ATFC reportedly played a significant role in revealing high-level corruption and illicit financial networks behind the Kabul Bank investigation.⁶¹ The unilateral and secretive nature of the program, whose activities remain largely classified, has at times caused friction with the Afghan government.

Although security officials acknowledge that drug proceeds have played a key role in financing the insurgency, DOD in late 2013 assessed that overall insurgency funding in recent years has remained largely unchanged and that the Taliban is "showing a greater propensity" to participate

⁵⁷ MCN, *2012 Afghanistan Drug Report*, November 2013.

⁵⁸ State Department, *INCSR*, Vol. 1, 2013.

⁵⁹ UNODC, *The Impact and Effectiveness of Various Counter Narcotics Media Campaigns*, October 2008.

⁶⁰ MCN, *2012 Afghanistan Drug Report*, November 2013.

⁶¹ Dexter Filkins, "The Afghan Bank Heist: A Secret Investigation May Implicate Dozens of High-Ranking Government Officials," *The New Yorker*, February 14, 2011.

in narcotics trafficking and production.⁶² The future of the ATFC has been in question as transition planning proceeds; staffing for the unit has already been reduced, and executive branch officials have been debating about whether to permanently close the unit or integrate it into existing organizational structures, such as the Interagency Operations Coordination Center (IOCC).⁶³ Additionally, it remains unclear whether the Afghan government will have the political will or capacity to conduct complex financial investigations and analyses, equivalent to those conducted by the ATFC. According to early 2014 testimony, U.S. and Afghan authorities are in the process of developing a “cadre of Afghan financial investigators who can work independently of foreign mentorship.”⁶⁴

Prosecution End Game

The Departments of State and Justice have supported the development of Afghan capacity to investigate and prosecute major narcotics and narcotics-related corruption cases through the mentoring of specialized investigators, prosecutors, and judges and the establishment of dedicated facilities at the Counter Narcotics Justice Center (CNJC) in Kabul, which includes a semi-autonomous forensics laboratory, narcotics-specific primary and appellate narcotics courts (Counter Narcotics Tribunal, or CNT), and a detention center.⁶⁵ The investigators, prosecutors, and judges that are co-located at the CNJC encompass the Criminal Justice Task Force (CJTF). U.S. assistance has provided support to facilitate linkages between Kabul-based investigations and provincial justice centers. The importance of a functioning domestic counternarcotics justice response is further heightened due to the lack of a formal extradition or mutual legal assistance treaty with the United States. Although drug-related extraditions could be made pursuant to the 1988 U.N. Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, to which both the United States and Afghanistan are party, the State Department has reported that a 2013 domestic extradition law in Afghanistan has added “additional hurdles to any potential extradition process.”⁶⁶

Since the establishment of the CJTF in 2005 and the opening of the CNJC in 2009, the concept has emerged as a “model of excellence within the Afghan justice system,” according to the State Department.⁶⁷ In recent years, the CNT has heard upward of 700 cases annually and achieved conviction rates above 90%. One of these recent convictions was that of U.S. narcotics kingpin Haji Lal Jan Ishaqzai in 2013. Despite such progress, the Afghan justice system remains challenged by significant limitations in capacity and effectiveness. Lower-level drug cases that are not prosecuted through the CJTF suffer from the same challenges that hamper overall criminal justice reform in Afghanistan. High-level investigations are also allegedly thwarted by corruption.⁶⁸ The highest ranking government official arrested on drug charges in Afghanistan

⁶² DOD, *Afghanistan Progress Report*, November 2013.

⁶³ See U.S. Senate, Caucus on International Narcotics Control, Hearing on *U.S. Counternarcotics Efforts in Afghanistan*, January 15, 2014.

⁶⁴ Testimony of Capra, Chief of Operations, DEA, before the U.S. Senate, Caucus on International Narcotics Control, Hearing on *U.S. Counternarcotics Efforts in Afghanistan*, January 15, 2014.

⁶⁵ The United Kingdom has also provided support to the Counter Narcotics Justice Center (CNJC).

⁶⁶ State Department, *INCSR*, Vol. 1, 2014.

⁶⁷ Ibid. SIGAR documented early challenges to the establishment of the CNJC in two 2009 audits. See SIGAR, *Actions Needed to Resolve Construction Delays at the Counter-Narcotics Justice Center*, Audit 09-4, August 27, 2009; SIGAR, *Documenting Detention Procedures Will Help Ensure Counter-Narcotics Justice Center is Utilized As Intended*, Audit 09-7, September 30, 2009.

⁶⁸ DOD, *Afghanistan Progress Report*, November 2013.

was the provincial police chief of Nimroz, Mohammad Kabir Andarabi, arrested in late 2013. Ultimately, however, he was cleared of the drug corruption charges and instead convicted of obstruction of justice.⁶⁹ Some have raised the possibility that some aspects of the CJTF and CNJC could change, including modifications to reduce the annual caseload, which has reportedly been increasing since 2009.⁷⁰ Moreover, State Department officials report that the timeline for transitioning the operations and maintenance costs for the CNJC to Afghan control remains unclear.

Institutional Development

Beginning in late 2010, the State Department initiated an MCN capacity building project in which two dozen Afghan and international mentors and advisors are embedded at the Ministry. The program supports technical capacity building (e.g., information technology, human resources, and budget administration), procurement support and logistical needs, and policy development (e.g., internal training and provincial-level counternarcotics programming). Since this program is based in Kabul, it is anticipated that it would continue past the security transition in 2014. The program was most recently renewed for 18 months.

International and Regional Cooperation

In order to address the cross-border and regional implications of Afghanistan's drug production, the U.S. government has participated in a wide range of initiatives to enhance international and regional cooperation on counternarcotics issues. One such effort is the Central Asia Counternarcotics Initiative (CACI), launched in 2011 by the State Department. For FY2015, the State Department requested \$4 million to continue providing specialized training, mentoring, and equipment to enhance regional law enforcement capacity and promote cooperation among counternarcotics units among Central Asian countries. DOD has also been supporting counternarcotics capacity building in the region with its own appropriated funds. Potentially enhancing DOD's support to the region following the transition in Afghanistan, DOD is in the process of establishing a Regional Narcotics and Analysis and Illicit Trafficking Task Force (RNAIT-TF).

Other international and regional cooperation efforts include U.S. support for the work conducted by the UNODC, including the Central Asian Regional Information and Coordination Center; INCB (e.g., Project Cohesion on precursor chemical control, which Afghanistan joined in August 2013); Paris Pact Initiative, which launched its fourth phase to combat Afghan opium and heroin trafficking in June 2013; the Colombo Plan, an Asia-Pacific regional collective, which has conducted work on Afghan demand reduction; and the U.S.-Russia Bilateral Presidential Commission Working Group on Counternarcotics.

Observers widely assess that international and regional cooperation will feature prominently in Afghanistan-related counternarcotics efforts following the transition. The INCB stressed in its 2013 annual report, released in April 2014, that the drug problem in Afghanistan, as well as in the region, "remains of grave concern" and that international cooperation to address the situation remains paramount.⁷¹ Some, including DOD, suggest that a more regional approach to combating Afghanistan's drug production may be beneficial, as it may provide "greater fidelity" on the illicit

⁶⁹ SIGAR, *Quarterly Report to the U.S. Congress*, October 30, 2013.

⁷⁰ MCN, *2012 Afghanistan Drug Report*, November 2013.

⁷¹ INCB, *2013 Report*, April 2014.

networks that operate throughout the region, including not only drug traffickers, but also weapons traffickers and money launderers.⁷² Some concern has been expressed that a counternarcotics approach that emphasizes regional cooperation, however, may also be fraught by high levels of corruption, low or mixed enforcement capacities, and political sensitivities.⁷³ Illustrating such concerns, Ambassador William R. Brownfield, Assistant Secretary of State for International Narcotics and Law Enforcement Affairs, acknowledged in congressional testimony earlier in 2014 that CACI “has not yet been a resounding success” due to a lack of enthusiasm for counternarcotics cooperation among the Central Asian states as well as Russia.⁷⁴

Conclusion

The Obama Administration acknowledges that the U.S. government’s priorities and interests in Afghanistan will be “tested” in the coming years as security responsibility transitions to the government of Afghanistan, under new political rule, and military activity shifts its mission in the country and the region.⁷⁵ For some, Afghanistan’s continuing drug problem features prominently as a concern that could affect the country’s future trajectory following transition.

Most experts expect that drug cultivation and production in Afghanistan will increase, at least temporarily, in the coming years, and that its importance will also increase as a proportion of Afghanistan’s overall economy.⁷⁶ What is unknown, however, is whether and to what extent such trends will contribute to future political instability, change perceptions of the Afghan government’s strength, and lead to the entrenchment of illicit actors at all levels of governance. SIGAR has called drug trafficking in Afghanistan “one of the most significant factors putting the entire U.S. and international-donor investment in the reconstruction of Afghanistan at risk” and identified narcotics as one of several “critical issues” for its activities related to U.S. reconstruction efforts in Afghanistan.⁷⁷

Amid such broad ranging risks, some observers worry that international policy interests, resources, and priorities have shifted away from the drug problem in Afghanistan.⁷⁸ Counternarcotics efforts in Afghanistan are resource-intensive, and the Afghan government remains dependent on international donors to fund such activities; yet, many question whether and for how long such funding will remain available—particularly in the context of a significantly reduced ability to monitor and oversee assistance programs following the U.S. military drawdown and security transition. The FY2014 omnibus appropriations for the State

⁷² Testimony of Erin Logan, Principal Director for Counternarcotics and Global Threats, Office of the Under Secretary of Defense, before the U.S. House of Representatives, Foreign Affairs Subcommittee on the Middle East and North Africa, Hearing on *U.S. Counternarcotics Operations in Afghanistan*, February 5, 2014.

⁷³ See for example, U.S. Senate Committee on Foreign Relations, *Central Asia and the Transition in Afghanistan*, a majority staff report, December 19, 2011.

⁷⁴ Testimony of Brownfield before the U.S. House of Representatives, Foreign Affairs Subcommittee on the Middle East and North Africa, Hearing on *U.S. Counternarcotics Operations in Afghanistan*, February 5, 2014.

⁷⁵ State Department, Congressional Budget Justification, Department of State, Foreign Operations, and Related Programs, Fiscal Year 2015, 2014.

⁷⁶ Richard Hogg et al., *Afghanistan in Transition: Looking Beyond 2014*, World Bank, February 28, 2013.

⁷⁷ Testimony of Sopko before the U.S. Senate, Caucus on International Narcotics Control, Hearing on *U.S. Counternarcotics Efforts in Afghanistan*, January 15, 2014; SIGAR, *Quarterly Report to the U.S. Congress*, January 30, 2014. The other “critical issues” identified by SIGAR included security, elections, governance, economic development, corruption, and international aid.

⁷⁸ Byrd and Mansfield, “Drugs in Afghanistan—A Forgotten Issue? Implications and Risks for Transition,” U.S. Institute of Peace, Peacebrief No. 126, May 18, 2012.

Department's foreign operations, for example, cut overall assistance for Afghanistan by 50% and directed the State Department and USAID to "prioritize" counternarcotics programs with a "record of success."⁷⁹ The FY2014 appropriations (P.L. 113-76) further emphasized the importance of adequate monitoring and oversight, stipulating, among other provisions, that Economic Support Fund (ESF) and International Narcotics Control and Law Enforcement (INCLE), two primary funding vehicles for counternarcotics assistance, may not be used to initiate new programs, projects, or activities for which regular oversight is not possible.⁸⁰

As Congress continues to evaluate counternarcotics policy options and programs in Afghanistan, key questions for consideration include the following:

- How can the U.S. government preserve the counternarcotics gains it has achieved over the past 12 years in Afghanistan and prevent backsliding following transition to a reduced U.S. security presence?
- What is the risk and potential scale of increased cultivation and production of opium and heroin in Afghanistan in 2015 and beyond? How will the illicit narcotics industry affect overall economic growth and development in Afghanistan?
- Should the U.S. government remain one of Afghanistan's primary donors of counternarcotics assistance? If so, for how long and at what cost?
- How can U.S. counternarcotics programs in Afghanistan be appropriately monitored and evaluated, given security constraints on U.S. personnel mobility? What metrics and benchmarks should be used to evaluate success or failure of U.S. counternarcotics efforts in Afghanistan?

⁷⁹ Joint Explanatory Statement, Division K, Department of State, Foreign Operations, and Related Programs Appropriations Act, 2014, P.L. 113-76.

⁸⁰ Sec. 7044(a)(2)(A) of Department of State, Foreign Operations, and Related Programs Appropriations Act, 2014, Div. K of P.L. 113-76.

Appendix. Opium Trends in Afghanistan, 2005-2013

Table A-1. Opium Poppy Cultivation Estimates for Afghanistan, 2005-2013

	hectares								
	2005	2006	2007	2008	2009	2010	2011	2012	2013
U.N. Estimates	104,000	165,000	193,000	157,000	123,000	123,000	131,000	154,000	209,000
U.S. Estimates	107,400	172,600	202,000	157,000	131,000	119,000	115,000	180,000	198,000

Source: State Department, *International Narcotics Control Strategy Report (INCSR)*, Vol. I, 2013 and 2014; U.N. Office on Drugs and Crime (UNODC), *World Drug Report*, 2013; and UNODC, *Afghanistan Opium Survey*, Summary Findings, November 2013.

Note: U.N. and U.S. estimates are based on different methodologies.

Table A-2. Opium Potential Production Estimates for Afghanistan, 2005-2013

	metric tons								
	2005	2006	2007	2008	2009	2010	2011	2012	2013
U.N. Estimates	4,100	5,300	7,400	5,900	4,000	3,600	5,800	3,700	5,500
U.S. Estimates	4,475	5,644	8,000	5,500	5,300	3,200	4,400	4,300	5,500

Source: State Department, *INCSR*, Vol. I, 2013 and 2014; UNODC, *World Drug Report*, 2013; and UNODC, *Afghanistan Opium Survey*, Summary Findings, November 2013.

Note: U.N. and U.S. estimates are based on different methodologies.

Table A-3. Dry Opium Farm Gate Prices in Afghanistan, 2005-2013

	per kilogram								
	2005	2006	2007	2008	2009	2010	2011	2012	2013
	\$138	\$125	\$122	\$95	\$64	\$169	\$241	\$196	\$172

Sources: Afghanistan Ministry of Counternarcotics (MCN), *2012 Afghanistan Drug Report*, published with technical support by UNODC, November 2013; and UNODC, *Afghanistan Opium Survey*, Summary Findings, November 2013.

Table A-4. Number of Poppy-Free Provinces in Afghanistan, 2005-2013

	2005	2006	2007	2008	2009	2010	2011	2012	2013
	8	6	12	18	20	20	17	17	15

Sources: Afghanistan MCN, *2012 Afghanistan Drug Report*, published with technical support by UNODC, November 2013; and UNODC, *Afghanistan Opium Survey*, Summary Findings, November 2013.

Note: Poppy-free is defined as provinces that cultivate less than 100 hectares of opium poppy.

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Acknowledgments

The authors thank Katherine Campbell, Research Associate, Foreign Affairs, Defense, and Trade Division, for her assistance.

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